## Exhibit 18

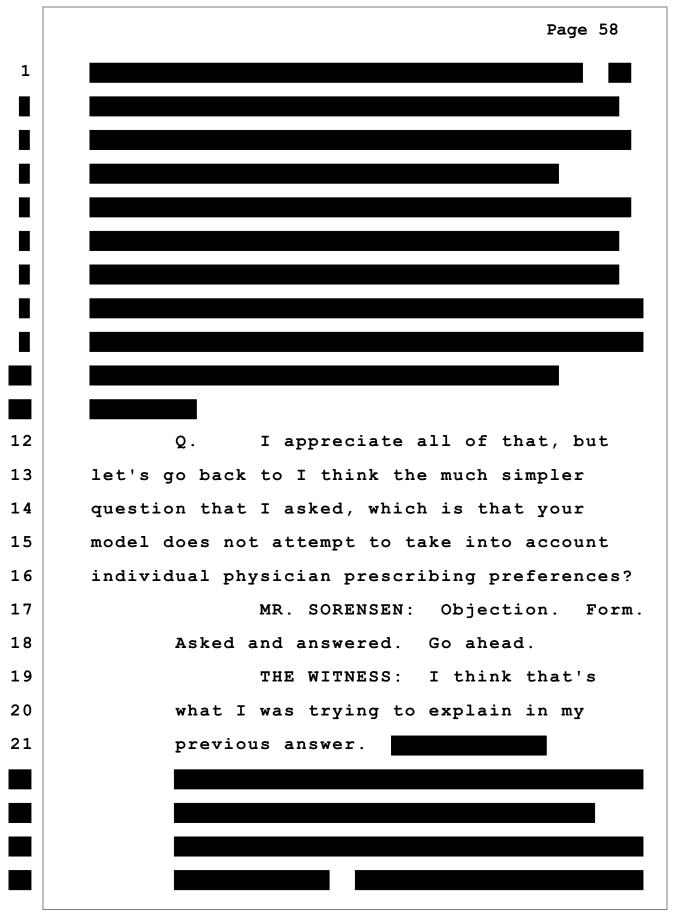
	Page 1
1	IN THE UNITED STATES DISTRICT COURT
	FOR THE SOUTHERN DISTRICT OF NEW YORK
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	IN RE: NAMENDA DIRECT : CIVIL ACTION NO.
4	PURCHASER ANTITRUST : 1:15-cv-07488-CM (JF)
	LITIGATION :
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8	October 6, 2017
9	HIGHLY CONFIDENTIAL
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12	Videotaped deposition of DR.
13	RUSSELL LAMB, taken at the offices of Berger &
14	Montague, PC, 1622 Locust Street,
15	Philadelphia, Pennsylvania 19103, beginning at
16	9:02 a.m., before LINDA ROSSI-RIOS, a
17	Federally Approved RPR, CCR and Notary Public.
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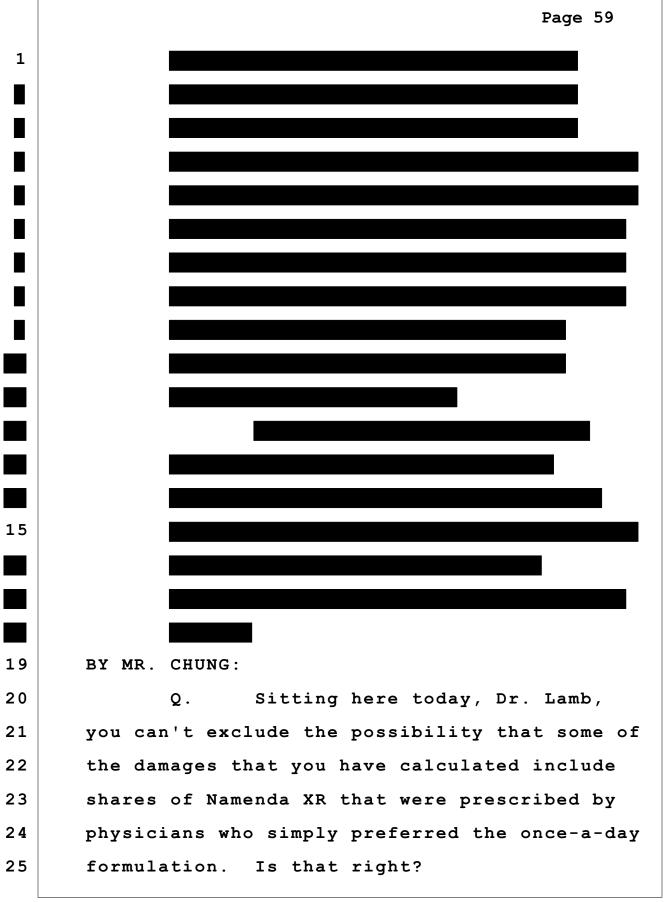
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1	A. Right.
2	Q. That stands for days of therapy.
3	Is that right?
4	A. Sometimes refers to used to
5	or defined as days on treatment, but, yes,
6	days on therapy, days on treatment.
7	Q. If you turn, sir, to page 45,
8	paragraph 80 of your amended report. You
9	explain how you compute days of therapy. Is
10	that right?
11	A. That's right.
12	Q. And specifically you say that
13	you
21	Do you see that, sir?
22	A. Correct. I'm saying you read
23	that correctly. Yes, I see that.
24	Q. In paragraph 79 immediately
25	preceding, you explain that the NSP that you

	Page 43
1	refer to in paragraph 80 is a National Sales
2	Perspective database of IMS. Is that right?
3	A. Yes.
4	Q. And the footnote 157 in
5	paragraph 79 lists the sources of information
6	from which IMS compiles its National Sales
7	Perspective database. Is that correct?
8	A. That's correct.
9	Q. And those sources identified in
10	footnote 157 include sales by pharmaceutical
11	companies themselves?
12	A. Yes.
13	Q. And those sources that IMS looks
14	at also include distribution centers?
15	A. That's correct.
16	Q. It includes wholesalers?
17	A. That's correct.
18	Q. It includes hospitals, among
19	others. Correct?
20	A. Yes.
21	Q. Am I correct, sir, that the NSP
22	database does not track actual physician
23	prescriptions to compile its sales database?
24	A. I believe that's correct. I
25	don't believe that the NSP data is based on a

	Page 44
1	survey or census of physician scripts,
2	prescriptions. It's based pardon me, just
3	to clarify my answer, it's based on the
4	movement of the product through the supply
5	chain.
6	Q. Those sources identified in
7	footnote 157 of your report. Correct?
8	A. That's correct.
9	Q. Turn back now to paragraph 146.
10	For the moment I'm sticking with the first
11	sentence, the summary, as you call it, of the
12	calculation of your product hop damages.
13	There is a part of your formula in the second
<b>14</b>	half of the sentence titled "But-For Namenda
15	XR DOT," or days of therapy.
16	Do you see that, sir?
17	A. Correct.
18	Q. That part of your damages
19	methodology estimates the volume of soft
20	switches in your damages calculation. Is that
21	a fair statement?
22	A. I think that's correct, yes.
23	That's a reasonable way of thinking of it.
24	Q. And anything above this
25	estimated level of soft switches up to the

	Page 57
1	level, your model doesn't look at physician
2	prescribing preferences. Correct?
3	MR. SORENSEN: Objection. Form.
4	THE WITNESS: What do you mean
5	by in that question by
6	"preferences," sir?
7	BY MR. CHUNG:
8	Q. A physician prescribing Namenda
9	XR to a patient, for example, because of its
10	once-a-day formulation?
11	A. No, that's not appropriate or
12	necessary to look at that issue.





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1	Company forecasts. Correct?
2	A. That's correct.
3	Q. And in paragraph 144, you rely
4	on another expert, Professor Ernst Berndt,
	Did I understand
8	that correctly?
9	MR. SORENSEN: Objection. Form.
10	Misstates his report. Go ahead.
11	THE WITNESS: No. And if you
12	read paragraph 144 carefully,

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3	BY MR. CHUNG:
4	Q.
10	Q. I'm not asking about any
11	communications, the content of them. Did you
12	have any discussions with Professor Berndt?
13	A. Yes.
14	Q. When did you have those
15	discussions?
16	A. Well, I had more than one.
17	There were a number. They began in July of
18	2017, occurred a number of times between July
19	and September. I don't recall the exact dates
20	of the first conversation or the last
21	conversation, but July to September, a number
22	of times in that period.
23	Q. Now, I understand your testimony
24	that you did not rely on Professor Berndt for
25	the proposition that Forest's forecasts were

	Page 104
1	reliable. Did you rely in your analysis on
2	any other aspect of Professor Berndt's work?
3	A. No.
4	Q. Okay. Let's take a look at
5	Table 3 which is on page 88 of your amended
6	report.
7	A. Okay.
8	Q. Let's just make sure that I
9	understand this correctly. Table 3 itemizes
10	the forecasts that you used to arrive at your
11	estimate of approximately percent but-for
12	Namenda XR share. Is that right?
13	A. That's correct.
14	Q. These eight forecasts in
15	Table 3, specifically the percentage soft
16	switch rates on the right-hand column, are the
17	data points that you used to calculate that
18	average estimate of approximately percent.
19	Correct?
20	A. That's correct. Let me just be
21	clear, I don't want to split hairs too much,
22	but these are the forecasts that result in the
23	percent that's reported in Table 3.
24	There's other support in the record, including
25	I note in my report Judge Sweet's opinion as

Page 105 1 well mentions the percent, and Forest 2 documents reference to the percent. 3 there's other support for it. But the calculation in this report in Table 3 is based 4 5 on these forecast documents, that's correct. By definition, a forecast is a 6 7 prediction or an estimate of what might happen 8 in the future. Right? 9 MR. SORENSEN: Objection. Form. 10 Go ahead. 11 THE WITNESS: I know that that 12 seems like a fairly clear, 13 straightforward question, but it's a 14 lot more complicated than that. 15 I think -- let me try to tell you what 16 I think of a forecast as. It's a -- a 17 forecast is a way of looking at how 18 different assumptions about how the 19 future will look results in a 20 different outcome for some variable of 21 That's an economic forecast. interest. 22 But I know that we're only talking 23 about economics here, not variables and 24 not the weather. In other words, it's 25 in my mind, and I've done it now

- Q. Well, let's start with different question and then we'll move back.
- A. Tell me -- okay. A forecast can be evaluated ex post, that is after the future is unveiled, based on what the forecast predicts unless the future involves a counterfactual to what the assumption in the forecast is here. So these forecasts, one can't look at the future to evaluate the forecast because the future ended up being tainted by the hard switch strategy which was, by the way, in part -- the purpose of these forecasts was to understand, in part, understand what the effect of hard switch strategy might be by comparison to what would happen without it.

So as I understand your question, I would say, look, in many cases your forecast can be evaluated based on what unfolds in the future in the actual world.

But if your -- if your forecast is based on a counterfactual to what actually happens, for example, you assume there is no hard switch conduct, when, in fact, in the future hard switch conduct enters the actual world, you

can't look at the experience in the actual world to say this forecast of what would happen but for or in the absence of the hard switch strategy is right or wrong. It doesn't inform you as to that. And that's my understanding of how to think about a forecast.

Q. I think you answered my question, but I think there's a different way to ask it.

There's nothing in these documents, these eight documents in Table 3, for example, that says, okay, in the future we will look at data searches X, Y, Z, and we will be able to confirm whether our forecasts on this date turned out to be largely correct or not?

A. I don't believe there's that kind of discussion. I have to go back and look at the actual -- you know, the actual forecasts are complicated. They have a Bates stamp and we talk about them as a document. There -- you know, there's a lot of information there in Excel spreadsheets that have been looked at. I don't believe there's

Page 112 the kind of information that you're alluding to that wouldn't be what I would expect to find in the forecast. Okay. So you don't have a clear Q. recollection of there being those sorts of sources available or even discussed in these forecasting documents. Right? Α. I don't recall seeing that, that's correct. Let's turn back to Table 3. As we've established, you testified that you chose -- you used these eight forecasts to compute your average soft switch conversion But you talked about there being other sources out there that relate to your average of approximately percent soft switches. you recall that? I didn't say sources. I think I said support for the percent XR conversion rate with the soft strategy, soft switch strategy. And, in fact, there were many more Forest forecasts generated other than the

MR. SORENSEN: Objection.

ones that appear in Table 3. Am I correct?

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Page 113 1 THE WITNESS: There were other 2 forecasts, that's correct. Some of 3 those other forecasts involved assumptions about generic entry and XR 4 5 launch that are at odds with the world that I was trying to understand, the 6 7 but-for world that I was trying to 8 understand. I discuss that in paragraph 152 just above Table 3 that 9 10 we've been looking at. So I point you 11 to that discussion, paragraph 152 is 12 relevant to that question. 13 BY MR. CHUNG: 14 Right. But in any event, you're 0. 15 aware that there were many other Forest 16 forecasts beyond the eight that appear in 17 Table 3. Right? 18 MR. SORENSEN: Objection. Form. 19 Asked and answered. Go ahead. 20 THE WITNESS: You said many 21 other, there were other forecasts, I 22 don't recall how many. A number. More 23 than one other one or more than two 24 other ones. 25 BY MR. CHUNG:

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1	mark Lamb Exhibit 5. This is the
2	expert report of Ernst Berndt.
3	
4	(Exhibit Lamb-5, Expert Report
5	of Ernst R. Berndt, PhD, was marked for
6	identification.)
7	
8	BY MR. CHUNG:
9	Q. Sir, I'm absolutely not going to
10	ask you to read all of Professor Berndt's
11	report. I can direct you to very specific
12	passages in it that I'd like to ask you about.
13	But let me just start with a general question.
14	Did you read Professor Berndt's report?
15	A. The one that's in front of him?
16	Q. I'm sorry, yes, go ahead.
17	A. Thank you.
18	Q. I apologize.
19	A. I haven't read Professor Berndt
20	report.
21	Q. You haven't. So when you wrote
22	in your expert report that Professor Berndt
23	had found these forecasts to be reliable, how
24	did you come to that understanding before you
25	submitted your report?

- A. That's based on conversations with counsel principally and conversations with Professor Berndt.
- Q. And you felt confident enough in your citation of Professor Berndt based on those conversations without reading his expert report?
- A. I didn't cite Professor Berndt and I didn't rely on Professor Berndt. As I discussed earlier, I just summarized what I understood to be the nature of his opinion which is consistent with my opinion. But it isn't necessary for me to have Professor Berndt's report in order to reach the opinions that I've reached in this matter. I conducted my own analysis and I'm not relying on Professor Berndt's analysis.
- Q. Maybe we're hair splitting. But you say you didn't cite him. In your report that you wrote and that you're responsible for, you felt the need for some reason to refer to Professor Berndt and his conclusion. Right?

MR. SORENSEN: Objection. Asked and answered. Objection. Form. Go

ahead. And argumentative. Go ahead. I don't know if I THE WITNESS: agree with your characterization that I felt the need to. I did. It's relevant in understanding the kind of exercise that I did and the methodology that I applied. As I said a moment ago, I'm not relying on Professor It is relevant that Professor Berndt. Berndt, who understands a lot about pharmaceutical markets, looked at the forecasts that Forest had prepared to think about soft switch XR conversion and determine that those forecasts were a reliable way of understanding what the XR conversion rate would have been in a world absent the hard switch strategy. But I'm not relying on it, I'm not dependent upon Professor Berndt's report in order to reach any of the opinions or conclusions I've reached. I understand that those are his opinions. I haven't read his report. VIDEOGRAPHER: Excuse me,

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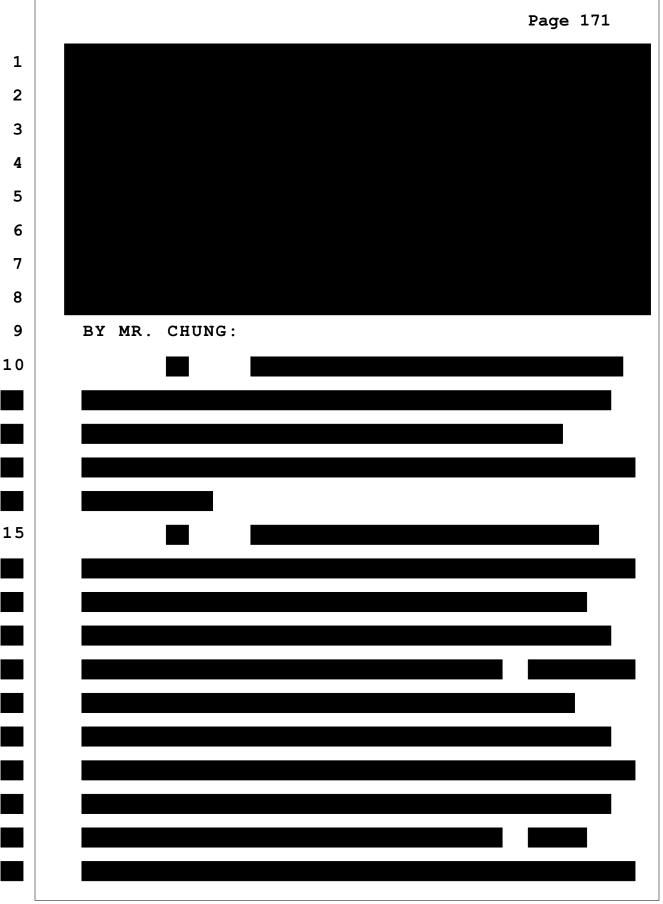
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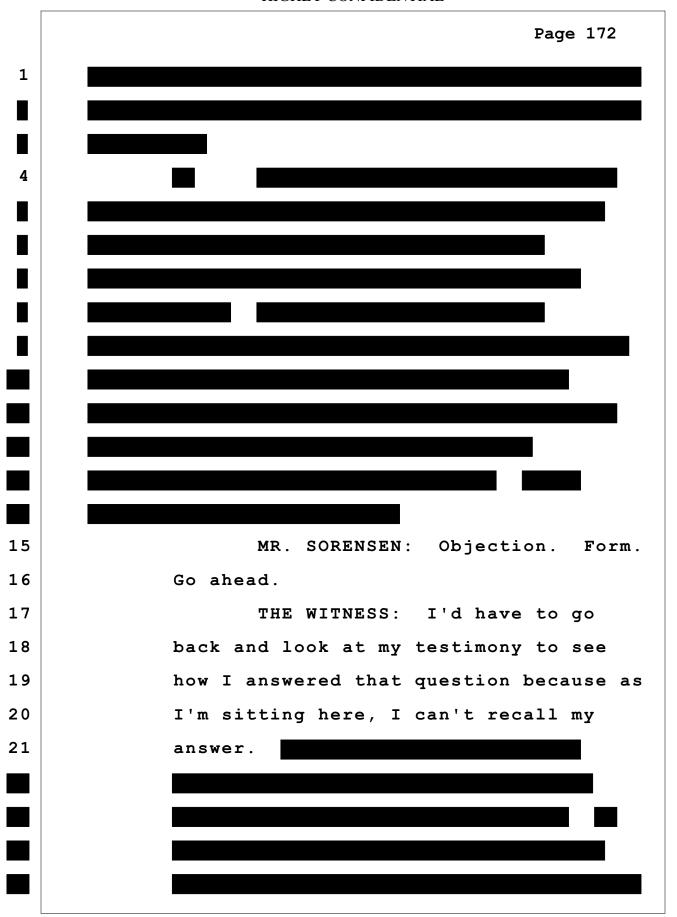
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1	Counsel, we have five minutes.
2	MR. SORENSEN: I'm sorry?
3	THE WITNESS: Five minutes on
4	the tape.
5	MR. CHUNG: Let's go ahead and
6	swap it out now.
7	VIDEOGRAPHER: The time is 1:54.
8	We're going off the video record.
9	
10	(A recess was taken.)
11	
12	VIDEOGRAPHER: The time is 1:55.
13	We are back on the video record. Disc 3.
14	BY MR. CHUNG:
15	Q. Dr. Lamb, thank you for
16	clarifying the reason why you referred to
17	Dr. Berndt. In your answer you said that
18	Dr. Berndt's opinion was relevant in
19	understanding the kind of exercise that I did.
20	Did I understand that correctly?
21	A. I don't recall the exact words
22	but that's a fair characterization of my view.
23	Q. Did you look at the work that
24	Dr. Berndt did in order to reach his opinion?
25	MR. SORENSEN: Communications

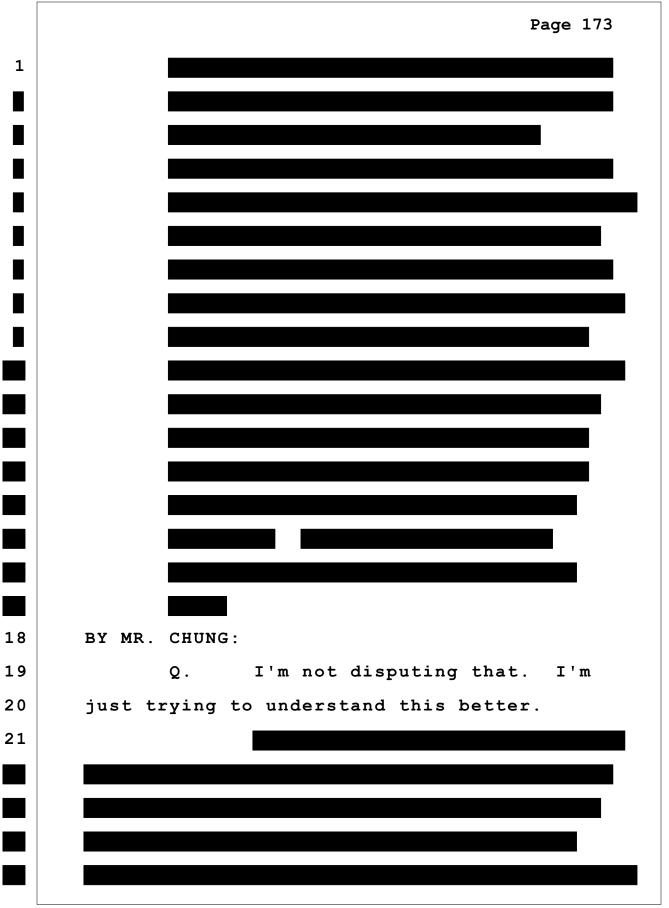
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	Do you see
5	that, sir?
6	A. Yes.
7	Q. Were you aware of this development
8	when you reached the conclusions in your
9	report, amended report?
10	A. I can't recall if this is a
11	document that I cite. I'd have to go back and
12	check Appendix B. It may be or may not be.
13	But I was aware of at least some formulary
14	changes with respect to Namenda XR, and Optum
15	in particular, when I prepared my expert
16	report and my amended expert report.
17	Q. Did you consider this
18	development, and by that I mean the placement
19	of Namenda XR on these formularies, when you
20	made your decision to cap the but-for Namenda
21	XR share rate at percent?
22	MR. SORENSEN: Objection. Form.
23	THE WITNESS: Yes, I considered
24	that issue and I note that this is an
25	e-mail that's dated December 20, 2013.

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1	As I explained a couple of times
2	already today, at that point the hard
3	switch strategy was already in full
4	swing. As I noted in my expert report,
5	

## HIGHLY CONFIDENTIAL







	Page 196
1	Q. Earlier in your report you
2	identified 65 proposed class members.
3	Correct?
4	A. Correct.
5	Q. Am I also correct in your
6	Exhibit 1 you only have 63 of those proposed
7	class members?
8	A. That's correct.
9	Q. If a potential class member
10	stopped purchasing Namenda XR before the
11	February 2014 announced withdrawal of Namenda
12	IR, could they have suffered injury under your
13	no hard switch but-for world?
14	A. Yes.
15	Q. So you allocate damages under
16	your hard switch damages model to purchasers
17	who stopped purchasing Namenda XR before
18	February 2014?
19	A. I haven't allocated any damages
20	for my hard switch no hard switch but-for
21	world to individual class members. That's not
22	an analysis that is contained in my expert
23	report.
2 4	Q. Right, but your testimony is
25	that if a potential class member just stopped